

**Tax calculation for nonresidents  
and part-year residents****2002****Attach to Form ND-1**

Please type or print in black or blue ink. Enter one letter or number in each box. Fill in circles completely.

See instructions on back of schedule.

Your name as shown on Form ND-1

Your social security number

If a part-year resident, enter dates you were a resident of North Dakota:

Name of other state in which you were a part-year resident:

	Column A Total from federal return US Dollars	Column B North Dakota portion US Dollars
1. Wages, salaries, and tips (line 7 of Form 1040 or 1040A, or line 1 of Form 1040EZ) -----	1	1
2. Interest and dividend income (add lines 8a and 9 of Form 1040 or 1040A, or amount from line 2 of Form 1040EZ) -----	2	2
3. Business income or loss (line 12 of Form 1040) -----	3	3
4. Ordinary and capital gains and losses (add lines 13 and 14 of Form 1040, or amount from line 10 of Form 1040A) -----	4	4
5. IRAs, pensions, and annuities (add lines 15b and 16b of Form 1040, or lines 11b and 12b of Form 1040A) -----	5	5
6. Income from rents, royalties, partnerships, S corporations, estates, and trusts (line 17 of Form 1040) -----	6	6
7. Farm income or loss (line 18 of Form 1040) -----	7	7
8. Other income (add lines 10, 11, 19, 20b and 21 of Form 1040, or lines 13 and 14b of Form 1040A, or amount from line 3 of Form 1040EZ) -----	8	8
9. Add lines 1 through 8 of Column B -----	9	9
10. Education expenses (add lines 23, 25, and 26 of Form 1040, or lines 16, 18, and 19 of Form 1040A) -----	10	10
11. Moving expenses (line 28 of Form 1040) -----	11	11
12. Self-employed deductions (add lines 29, 30, and 31 of Form 1040) -----	12	12
13. IRA deduction (line 24 of Form 1040 or line 17 Form 1040A) -----	13	13
14. Other deductions (add lines 27, 32, and 33a of Form 1040) -----	14	14
15. Add lines 10 through 14 of Column B -----	15	15
16. North Dakota source income (Subtract 15 from line 9. If zero or less, enter 0) ----- (N1)	16	16
17. Federal adjusted gross income (From Form ND-1, line E) -----	17	17
18. Enter amount from Form ND-1, line 6 -----	18	18
19. Modified federal adjusted gross income (Subtract line 18 from line 17. If less than zero, enter 0) ----- (N2)	19	19
20. North Dakota income ratio (Divide line 16 by line 19. Round to nearest two decimal places. If line 16 is more than line 19, enter 1.00. If line 16 is zero, enter 0.00) -----	20	20
21. Tax for the amount on Form ND-1, line 13, from the Tax Table on page 18 of the Form ND-1 instructions. If you have farm income, see the instructions on the back of this schedule ----- (N3)	21	21
22. Tax (Multiply line 21 by line 20) Enter the amount from this line on Form ND-1, line 14 -----	22	22

## Who must complete

If you were a full-year nonresident or a part-year resident of North Dakota (ND) during the 2002 tax year, you must complete this schedule to calculate your ND tax.

### Joint filers with different states of residence—

If you are filing a joint federal return, but you are required to file separate ND returns because you and your spouse had different states of residence, you must obtain and complete Schedule SF before you complete Schedule ND-1NR. See “Exception for joint filers with different states of residence” under **Line A-Filing status** on page 8 of Form ND-1 instruction booklet for more information.

**Minnesota and Montana residents**—If you were a full-year resident of Minnesota or Montana, and all of your income is exempt from ND tax under the income tax reciprocity agreement, do not complete this schedule. See **Minnesota and Montana residents** on page 6 of the Form ND-1 instruction booklet for how to complete Form ND-1.

## How to complete

Fill in your name and social security number at the top of the schedule. If you were a part-year resident of North Dakota during the 2002 tax year, enter the dates you were a resident of North Dakota and the name of the other state in which you were a resident for part of the year.

Complete Column A (Total from federal return) first by filling in the total amounts from your federal income tax return. If you used Federal TeleFile, enter each type of income included in your federal adjusted gross income (on line I of the TeleFile Tax Record) on the appropriate line of Column A.

Then complete Column B (North Dakota portion) according to the specific line instructions that follow.

## Specific line instructions for Column B only— North Dakota portion

Complete Column B by filling in the portion of the amount shown in Column A that is derived from ND sources, as explained in the line instructions that follow.

### Line 1

Include wages, salaries, tips, commissions, bonuses, and other compensation received for services performed in ND while a nonresident, and all compensation received while a ND resident.

**Minnesota resident**—Do not include compensation received for work performed in ND while a Minnesota resident if you maintained a permanent home in Minnesota that you returned to at least once each month.

**Montana resident**—Do not include compensation received for work performed in ND while a Montana resident.

**Interstate commerce employee**—Do not include compensation received for work performed in ND while a nonresident if the compensation was received for the performance of regularly assigned duties in more than one state for a railroad, trucking company, or other interstate motor carrier defined under federal law in 49 U.S.C. 11504.

### Line 2

Include amounts received (or credited to your account) while a ND resident. However, do not include interest from U.S. obligations. Also include your share of ND-source interest and dividends which you received from a pass-through entity (e.g., a partnership) while a nonresident.

### Line 3

Include net income or loss attributable to the portion of a sole proprietorship operated in ND while a nonresident, and net income or loss from a sole proprietorship (regardless of where its operations are located) while a ND resident.

**Minnesota resident**—Do not include net income or loss from a personal or professional service business while a Minnesota resident if the income is eligible for income tax reciprocity.

### Line 4

Include net gains and losses from tangible property in ND received while a nonresident, and net gains and losses from all property (regardless of its location) received while a resident. Also include your share of ND-source net gains and losses which you received from a pass-through entity (e.g., a partnership) while a nonresident.

### Line 5

Include amounts received while a ND resident.

### Line 6

Include net income and losses from the rental of tangible property in ND received while a nonresident, and net income and losses from the rental of all property (regardless of location) received while a ND resident.

Include royalties and other income from interests in oil, coal, or other mineral property in ND received while a nonresident, and income from all mineral properties (regardless of location) received while a resident.

Include your share of ND ordinary income or loss, net rental income, and other income not reported on other lines from a pass-through entity (e.g., a partnership) received while a nonresident, and all similar types of income and losses received from a pass-through entity while a resident.

Include your share of ND-source income and losses from an estate or trust received while a nonresident, and all income and losses received from an estate or trust while a resident. Do not include interest, dividends, pensions, or annuities received while a nonresident.

### Line 7

Include net income or loss attributable to the portion of a farm operated in ND while a nonresident, and net income or loss from a farm (regardless of where it is located) while a ND resident.

### Line 8

Include amounts received while a ND resident, and amounts received from ND sources while a nonresident. State and local income tax refunds, alimony, and social security benefits are not income from ND sources in the case of a nonresident.

**Part-year resident**—To determine the amount of your taxable social security benefits to include on this line, multiply the amount of your total social security benefits received while a resident by a percentage equal to the total taxable portion of your social security benefits divided by your total social security benefits.

### Line 10

If part-year resident, include educator, tuition and fee, and student loan expenses paid while a ND resident. Otherwise, multiply these expenses by a percentage equal to ND income divided by total income.

### Line 11

Include moving expenses paid while a ND resident or that were attributable to a move into ND.

### Line 12

Multiply amount in Column A by a percentage equal to ND self-employment income divided by total self-employment income.

### Line 13

Multiply amount in Column A by a percentage equal to ND earned income divided by total earned income reported on federal return.

### Line 14

Multiply amount in Column A by a percentage equal to ND compensation for services (from employer sponsoring MSA) divided by total compensation. Include the amount of a penalty on early withdrawal only if the related interest income is included on line 2, Column B.

If part-year resident, include alimony paid while a ND resident. Otherwise, multiply the amount paid by a percentage equal to ND income divided by total income.

### Line 21

Calculate the tax on the amount you entered on Form ND-1, line 13, using the Tax Table on page 18 of the Form ND-1 instruction booklet.

However, if you used Schedule J (Form 1040) to calculate your federal tax for 2002, see Schedule ND-1FA for more information.